1992, the level of spending by Japan on those programs (stated as a percentage of gross national product) will approximate the average of the levels of spending by the member nations of the North Atlantic Treaty Organization (NATO) on official development assistance and defense programs (stated as a percentage of their respective gross national products).

(2) Devoting any increase in its spending for such Official Development Assistance program primarily to the Republic of the Philippines and to countries in regions of importance to global stability outside of East Asia, particularly to countries in Latin America, the Caribbean area, and the Mediterranean area.

(3) Devoting any increase in spending for that program primarily to untied grants and increasing the portion of total expenditures made in that program for those multilateral financial institutions of which Japan is a member.

(4) Designating those nations that are to be recipients of increased development assistance referred to in subparagraphs (A) through (C) after consultation with Japan's security partners.

(E) Completing, after consultation with the United States, the 5-year defense program of Japan for fiscal years 1986 through 1990 and, at the earliest possible date after the completion of that program, fulfilling the pledge made by the Prime Minister of Japan in May 1981 to defend the territory, airspace, and sea lanes of Japan to a distance of 1,000 nautical miles.

(F) Acquiring "off-the-shelf military equipment from the United States (including completely equipped, long-range early warning aircraft, additional AEGIS weapon systems, refueling aircraft, munitions, and spare parts) in developing the capabilities called for in Japan's current and subsequent 5-year defense programs.

President of U.S. International agreements.

(c) NEGOTIATIONS AND CONSULTATIONS.—At the earliest practicable ^ate a^ter ^e en^ctment of this Act, the President shall—

(D enter into negotiations with Japan for the purpose of achieving an agreement under which Japan agrees to make contributions sufficient in value to meet the direct cost of deploying United States forces for the defense of Japan; and

(2) issue an invitation to the Government of Japan and other governments of Pacific allies of the United States to engage in

annual multilateral consultations on security concerns, consistent with the constitutions and national defense requirements of the respective countries.

(d) REPORTS.—(1) In order that Congress may determine whether further action is appropriate, not later than April 1, 1990, the President shall submit to the congressional committees described in paragraph (3) an initial report on the status and results of—

(5) the negotiations with Japan referred to in subsection (cXD; and ^

(6) the invitation required under subsection (cX2), including any consultations resulting from such invitation.

(2) Not later than one year after the date of the enactment of this Act, the President shall submit to such congressional committees a second report on the status and results of the matters referred to in paragraph (1).